

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

RED BARN MOTORS, INC.,  
PLATINUM MOTORS, INC.,  
MATTINGLY AUTO SALES, INC.,  
YOUNG EXECUTIVE MANAGEMENT &  
CONSULTING SERVICES, INC.,  
Individually, and on behalf  
of other members of the  
general public similarly  
situated,

Plaintiffs,

Docket No.

1:14-cv-01589-TWP-DKL

vs.

COX ENTERPRISES, INC.,  
COX AUTOMOTIVE, INC.,  
NEXTGEAR CAPITAL, INC. f/k/a  
DEALER SERVICES CORPORATION,  
successor by merger with  
Manheim Automotive Financial  
Services, Inc., and JOHN WICK,  
Defendants.

Class Action

The deposition upon oral examination of  
**ADAM GALEMA**, a witness produced and sworn before me,  
Paula A. Morgan, Notary Public in and for the County  
of Hamilton, State of Indiana, taken on the 10th day  
of November, 2016, in the offices of Bose, McKinney &  
Evans, 111 Monument Circle, Suite 2700, Indianapolis,  
Marion County, Indiana, pursuant to the Federal Rules  
of Civil Procedure. This deposition was taken on  
behalf of the Plaintiffs in the above-captioned  
matter.

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ALSO PRESENT:

Rick Wright - in-house counsel DSC

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1           A D A M G A L E M A, the witness herein, having  
2           been first duly sworn to tell the truth, the whole  
3           truth, and nothing but the truth, was examined and  
4           testified as follows:

5           EXAMINATION,

6           QUESTIONS BY MR. AIREY:

7           Q    Good morning, Mr. -- and how do you pronounce your  
8           last name?

9           A    Galema.

10          Q    Okay. My name is Jake Airey, and I represent the  
11          plaintiffs in this case, Red Barn Motors case. Could  
12          you state your name for the record.

13          A    Adam Galema.

14          Q    And what's your address?

15          A    4913 Rustling Ridge Court.

16          Q    Have you ever given a deposition before?

17          A    No.

18          Q    Okay. Basically, I'm going to be asking you  
19          questions, and then you'll give me an answer. If you  
20          don't understand my question, please feel free to ask  
21          me to rephrase it or you didn't understand it.

22          A    Okay.

23          Q    If you give me an answer, I'm going to assume that  
24          you understood my question. We have the court  
25          reporter here who is taking down everything we say,

1           so we can't talk over one another, and we also have  
2           to -- or you also have to give verbal responses. Do  
3           you understand?

4       A     Sure.

5       Q     All right. Have you ever testified as a witness  
6           before?

7       A     Yes.

8       Q     What was that case?

9       A     It was a case several years ago involving another  
10          dealer of ours.

11      Q     What was that dealer's name?

12      A     Autobahn Motors.

13      Q     Where were they located?

14      A     I can't recall.

15      Q     Do you remember where the court was?

16      A     It was here.

17      Q     What did that matter involve?

18      A     It was around just the fees and interest being  
19          charged to them.

20      Q     Autobahn Motors was complaining about the fees that  
21          were being charged to them?

22      A     I can't recall exactly their grounds, but that was  
23          the basis of it.

24               MR. COMAN: I'm sorry to stop. Kerry just sent  
25          me a note. She said she can hear Jake but not Adam.

1 MR. VINK: Maybe if Adam speaks up a little bit.

2 MR. COMAN: Thank you. I'm sorry.

3 MR. VINK: That's fine.

4 Q Do you remember what the outcome of the litigation  
5 was?

6 A Yes. It was in our favor.

7 Q Is that the only time you've testified?

8 A Yes.

9 Q I take it you've never testified as an expert witness  
10 before?

11 A Other than that case.

12 Q Okay. What's your background, as far as education?

13 A Graduated from Anderson University in 2001 and also  
14 have a master's degree from Liberty University.

15 Q Where is Anderson University?

16 A It's in Anderson, Indiana.

17 Q And what was your degree in from Anderson?

18 A Accounting.

19 Q And is your master's in accounting as well?

20 A Yes.

21 (Conference room telephone rings.)

22 MR. COMAN: Can we go off the record.

23 (A discussion was held off the record.)

24 Q Before we took that brief break you were explaining  
25 you have a master's in accounting from Liberty

1 University?

2 A Correct.

3 Q Are you a CPA?

4 A No.

5 Q Have you ever attempted to sit for the CPA exam?

6 A Not the CPA exam.

7 Q What certifications do you have?

8 A I have my CMA.

9 Q And what's that?

10 A Certified Management Accountant.

11 Q What's the difference between that and a CPA?

12 A The CMA is more geared towards business finance and  
13 accounting. CPA would be geared more towards public  
14 accounting.

15 Q So, CMA, you are basically in-house, inside of a  
16 business working?

17 A Sure.

18 Q What year did you get that?

19 A I believe that was around 2004.

20 Q What are the requirements for that designation?

21 A You have to have, I believe, 150 credit hours,  
22 experience in the business world as well. There's  
23 also CE requirements annually.

24 Q What kind of CE requirements are there?

25 A Thirty hours. I believe, of that, two need to be in

1 ethics.

2 Q And are those classes similar to the CPA classes, or  
3 are they just geared more toward the CMA designation?

4 A They can be anything.

5 Q Talk about your job history. Did you work at any  
6 place while you were in college?

7 A Just odd jobs on campus at college. Nothing --

8 Q How about when you were getting your master's degree?

9 A Yeah, I worked for DSC.

10 Q And have you continuously worked for DSC since --  
11 would that have been 2001?

12 A No.

13 Q What did you do when you worked at DSC while you were  
14 getting your master's degree?

15 A I was in the controller position at that time.

16 Q What year was that?

17 A That would have been two thousand -- that was 2009  
18 through 2010, 2011.

19 Q When did you get your master's in accounting?

20 A Same.

21 Q 2009 through 2010?

22 A Yeah.

23 Q So after you graduated in 2001, what did you do?

24 A I worked for Enterprise Rent-A-Car.

25 Q What did you do there?



1 A I was in the accounting department.

2 Q What was your job title?

3 A Staff accountant.

4 Q How many years did you work there?

5 A I worked there four years.

6 Q Until roughly 2005?

7 A Correct.

8 Q Then where did you go? DSC?

9 A Yes.

10 Q What was your first job at DSC?

11 A Accounting manager.

12 Q What did you do as the accounting manager?

13 A Main functions involved AP, month-end close, you  
14 know, journal entries, balance sheet reconciliations,  
15 just general accounting responsibilities.

16 Q In your capacity as account manager, did you have  
17 interactions with the dealer customers?

18 A No.

19 Q Did you supervise anybody in that position?

20 (Conference room telephone rings.)

21 MR. AIREY: Can we go off the record.

22 (A discussion was held off the record.)

23 Q Did you supervise anybody as the accounting manager?

24 A Yes.

25 Q How many people did you supervise?

1 A Three or four.

2 Q And what did those people do?

3 A They were booking journal entries, processing  
4 accounts payable, more the day-to-day accounting  
5 functions.

6 Q And then the information that they would enter,  
7 that's what you would use to do your month-end close?

8 A Correct.

9 Q Who did you report to when you were the accounting  
10 manager? Who was your boss?

11 A The name?

12 Q Yes.

13 A Dave Horan.

14 Q And what's his job title?

15 A He was controller at that point.

16 Q And the reports that you would give at that time,  
17 what did they generally consist of? What information  
18 would be contained within the reports?

19 A Just your basic finance reports, income statement,  
20 balance sheet, cash flow.

21 Q Would there be anything about how many dealers were  
22 in default or any of that type of information?

23 A Not at that point, no.

24 Q When you say "at that point," you meant while you  
25 were in this job position, or you meant as far as

1           those monthly reports?

2           A    As far as in that position, during that time frame.

3           Q    Okay.  So you wouldn't have had anything to do with  
4               any dealer defaults or anything around that time in  
5               this position?

6           A    No.

7           Q    How many years were you the account manager?

8           A    Four.

9           Q    So roughly until 2009?

10          A    Correct.

11          Q    And that's when you became the controller?

12          A    Yes, correct.

13          Q    How did that -- I'm assuming that's an upgrade or a  
14               promotion.  How did your duties increase related to  
15               that position?

16          A    In that position you have more oversight and  
17               responsibility for the financial statements of the  
18               company.  It was more involved.  Led the budgeting  
19               and forecasting process.  I was heavily involved in  
20               the treasury functions of the company.

21          Q    What do you mean by "treasury functions"?

22          A    Sure.  Just the -- for one, the daily movement of  
23               cash and the relationships that we have with our  
24               banks.

25               Also, the securitization facilities that we have

1 to fund the business.

2 Q Who are those security facilities through, or who are  
3 they with?

4 A At that point we had, I believe -- I believe we just  
5 had a term note. That would have been with many  
6 investors that we don't have -- we're not privy to  
7 that information. We traded, you know, every day.  
8 We don't know what that activity looks like.

9 Q And how long were you the controller?

10 A That would have been, I guess, roughly six years.

11 Q So just until last year?

12 A Correct.

13 Q What month, if you recall?

14 A January 1 of '15.

15 Q When you were the controller, who did you report to?

16 A I reported to our CFO.

17 Q And who was that?

18 A We had two.

19 Q Okay.

20 A First one would be Marty McFarland, and then Dave  
21 Horan again.

22 Q And did you prepare monthly reports as well for the  
23 CFO to review?

24 A Yes.

25 Q What were in those reports?

1 A Again, just general financial statements, analysis  
2 behind that, you know, variance analysis, those sorts  
3 of things.

4 Q Did you say variance analysis?

5 A Sure.

6 Q What is that?

7 A When you think about actual expenses versus budget or  
8 actual revenue versus budget.

9 Q So is it safe to say this is on a more macro level  
10 than on an individual dealer, how much money he's  
11 being lent at a particular time?

12 A Yeah. I mean, we have, I mean, currently, over  
13 21,000 dealers. So it's not a dealer-by-dealer  
14 financial statement. Sure.

15 Q Who prepares or would prepare a dealer-by-dealer  
16 financial statement?

17 A They don't exist in the sense of a -- we don't have  
18 21,000 individual financial statements that roll up  
19 into a consolidated one. Maybe rephrase.

20 Q Okay. Maybe financial statement wasn't the best. I  
21 guess who would prepare an individual account  
22 statement for a dealer if a dealer called up and  
23 said, hey, I want to know what the current status of  
24 my account is since I've started working with you or  
25 started using you?

1 MR. VINK: Just to be clear, what time frame are  
2 we talking about?

3 Q Let's go with now, and then we'll go back.

4 A Okay.

5 Q Actually, let's use this time frame since that's --  
6 this would be pre-2015, when you were the controller.

7 A Controller?

8 Q Yes.

9 A Okay. I mean, the dealer could access reports  
10 himself. He could speak with his account executive.  
11 He could also speak with someone in our call center.

12 Q That's not something that your department would  
13 handle, for lack of a better term?

14 A Correct.

15 Q So I understand from your affidavit you're now the  
16 vice president of finance?

17 A Correct.

18 Q What do you do in that role?

19 A It's a lot of the same responsibilities that I just  
20 kind of walked through, just at a higher level. So  
21 much more -- just deeper involvement in financial  
22 statement analysis, presentations, deeper  
23 relationships with our banks and securitization  
24 processes. Again, the budgeting and forecasting is  
25 part of my responsibility. Again, a lot of the same

1 functions, just at a higher level.

2 Q Who reports to you?

3 A I have approximately twenty direct reports. Not all  
4 direct. Excuse me. Indirect as well.

5 Q Does the controller report to you now?

6 A Now we have a different structure. We have a  
7 director of accounting and a director of FP&A, which  
8 is financial planning and analysis.

9 Q Who does the controller report to now?

10 A There is no controller.

11 Q Okay. Is there a CFO now?

12 A Yes.

13 Q Who is that?

14 A Dave Horan.

15 Q And do you report to him?

16 A I do.

17 Q He's your direct report?

18 A He is my direct supervisor, yes.

19 Q Do you have other people that you also have to report  
20 to in your position?

21 A No.

22 Q And now, with your position now, I would also assume  
23 you don't speak with dealers?

24 A No.

25 Q Okay. And is that true for your entire time at DSC,

1           that you don't speak with dealers?

2       A     Correct.

3       Q     How about the sales representatives? Do you speak  
4           with them?

5       A     Sure.

6       Q     What types of conversations do you have with them?

7       A     They are very few and far between. Generally, it's a  
8           question they may ask concerning the status of a  
9           vehicle or why something happened the way it did in  
10          the system.

11      Q     Why are they asking you that question?

12      A     Well, they're not necessarily asking me directly  
13           right now, currently. But they would ask either  
14           myself or my team because we have the knowledge of  
15           the business and the knowledge of the system and how  
16           it works.

17      Q     So they're calling you if there's maybe a specific  
18           issue with a certain vehicle?

19      A     They could. We are not the go-to operational, you  
20           know, call center. We're the finance team.

21      Q     And that's something I was just trying to get at. If  
22           I was a salesperson and I had an issue with a dealer,  
23           I wouldn't be calling you. I would be calling  
24           somebody else first, correct?

25      A     Correct.



1 Q Who would I call, if you know?

2 A It could vary. I mean, they could call their  
3 supervisor. They could call in to our call center.  
4 They have, you know, the operational knowledge and  
5 could help them through that potential issue or  
6 question they have.

7 Q So in your positions, or at least your position now,  
8 and maybe since you've been with the company, you've  
9 been primarily concerned with obtaining the funding  
10 or the funds that NextGear/DSC then lends out to the  
11 dealers?

12 A It's part of my job function, yeah.

13 Q Do you do work more on the -- obtaining the funds and  
14 managing the funds and the budgeting process of DSC  
15 versus actually interacting with the individual  
16 accounts where that money's being lent to?

17 A That would be fair, yes.

18 Q Okay. Who is more over the individual accounts of  
19 the dealers? Who are making those types of  
20 decisions?

21 A What decisions?

22 Q Well, how much money they can borrow or if there's an  
23 issue with the account.

24 A Sure. If you're talking about how much they can  
25 borrow, that's going to run through our lending

1 department.

2 Q Do you supervise that?

3 A No.

4 Q Who does, if you know?

5 A We have a vice president of lending.

6 Q Who is that?

7 A His name is Patrick Inks, I-N-K-S.

8 Q You do monthly reports as well now too, correct?

9 A Correct.

10 Q And those are to the -- to Mr. Herman?

11 A Horan?

12 Q Horan, I'm sorry.

13 A He's one of the recipients, sure.

14 Q These reports wouldn't have an individual sales  
15 figure from a particular dealer, correct?

16 A No.

17 Q It's more of a compilation of everything that's  
18 happened in that month company-wide?

19 A Correct.

20 Q Would these figures contain an average transaction  
21 amount, or is it even a higher level than that?

22 A Sure. No, we -- part of our analysis is to look at  
23 average metrics within the portfolio.

24 Q Would it have credit utilization rates of the dealers  
25 or an average credit utilization rate?

1 A We would have a consolidated utilization rate, yes.

2 Q How about an average interest rate?

3 A Yes.

4 Q And an average number of days financed for vehicles?

5 A Yes.

6 Q And you could determine an average daily finance rate  
7 throughout the portfolio as well, too, correct?

8 A Sure, you could get there.

9 Q And even an average amount of interest that  
10 NextGear/DSC earned for that particular day?

11 A Yeah, you could derive that from the financial  
12 statements.

13 Q Does NextGear ever get to a point where it doesn't  
14 have any more funds to offer dealers? Or is that  
15 part of your job to manage, to make sure there's a  
16 constant credit facility that's open.

17 A Yeah. I mean, there is a limit to the funding that  
18 we have available to us, yes.

19 Q Do you report to anyone at Cox Enterprises, Inc.?

20 A Directly? No.

21 Q How about indirectly?

22 A At Cox Enterprises? No.

23 Q How about Cox Automotive, Inc.?

24 A Indirectly, yes.

25 Q And how is it indirectly?

1 A Just in the sense that we are one business unit  
2 underneath the Cox Automotive umbrella, if you will.

3 Q Do you know what the other business units are under  
4 Cox?

5 A I know a few of them.

6 Q What would they be?

7 A I wouldn't know all of them. Manheim, Kelley Blue  
8 Book, Autotrader, vAuto, VinSolutions. Do you want  
9 me to --

10 Q Do you know more?

11 A An exhaustive list of everything I know?

12 Q This is a lot, I guess, huh?

13 A Yeah.

14 Q How many more are there?

15 A I believe there are approximately 40 total companies  
16 underneath Cox Automotive.

17 Q Do you know who at Cox Automotive would be your  
18 indirect report?

19 A Sure.

20 Q Who is that?

21 A You know, my boss, Dave Horan, reports to the CFO of  
22 Cox Automotive.

23 Q Who is that?

24 A Neil Johnston.

25 Q And do you have interaction with him, with

1 Mr. Johnston?

2 A Yeah.

3 Q What types of interactions do you have?

4 A Nothing frequent. More just if, you know, we're in  
5 the same place, he's visiting us or I'm visiting down  
6 there.

7 Q Where are they located?

8 A Atlanta.

9 Q Do you go there frequently?

10 A Three, four times a year.

11 Q What do you do when you go there?

12 A Generally, it's part of an overall Cox Automotive  
13 function, perhaps for the finance group.

14 Q Do they put on training events?

15 A No, I wouldn't call them that.

16 Q Do you discuss budgeting issues with Cox Automotive?

17 A I discuss NextGear budgeting issues with Cox  
18 Automotive.

19 Q And do they, ultimately, have to approve the budgets  
20 for NextGear?

21 A Yes.

22 Q Earlier you discussed a little bit about where  
23 NextGear, or I guess it was DSC at the time, got its  
24 funds from that it loans out to the dealers. And you  
25 said that it was a sort of private placement, I

1 guess, or publicly traded-type financial instruments?

2 A Not publicly traded, no.

3 Q Privately traded?

4 A Yeah.

5 Q Is that the same now as well, too?

6 A Yes.

7 Q Okay. So various companies and individuals would be  
8 able to buy a debt package?

9 A It's a 144A transaction, so only investment companies  
10 can participate.

11 Q I'm going to turn to the affidavit that you at least  
12 signed in this case. Are you familiar with this  
13 document?

14 MR. VINK: Are you going to mark this as an  
15 exhibit?

16 MR. AIREY: I wasn't going to.

17 MR. VINK: Okay.

18 A Yes, I'm familiar.

19 Q Okay. How did this document come about? Why were  
20 you asked to draft this document?

21 A I was asked to --

22 MR. VINK: Before you answer that question, make  
23 sure that you don't divulge anything that was  
24 communicated to you by counsel related to signing  
25 this declaration. That would be protected by the

1 attorney-client privilege.

2 Q Right. And I should have said that before. I don't  
3 want to know anything that they asked you. And if  
4 that's the only reason that you have for why you did  
5 it, which wouldn't be surprising, then, you know,  
6 that will be your response. I understand that.

7 A Well, are you asking why I'm here or why I signed  
8 this?

9 Q How about this. Do you know why you were chosen to  
10 draft this affidavit?

11 A Yes.

12 Q Okay. Why is that?

13 A Because I have knowledge of how floorplanning works  
14 and how the system operates and how we calculate the  
15 revenue that we generate.

16 Q But as far as the individual dealers that are  
17 mentioned in this affidavit, like Red Barn and  
18 Platinum and Mattingly, did you know about those  
19 prior to drafting this affidavit?

20 A Yes, I've heard of them.

21 Q Did you have any interaction with or any -- I guess  
22 "interaction" is the best word. Did you have any  
23 interaction with their accounts for Red Barn,  
24 Mattingly, or Platinum when you were in any of your  
25 various positions with DSC?

1 A Direct interaction, no.

2 Q How about indirect?

3 A Sure.

4 Q What would that be?

5 A It would have been part of the analysis that we do on  
6 dealers who default and charge off.

7 Q But you wouldn't have called up someone at Red Barn  
8 and said, hey, what's going on here, why are you  
9 defaulting, correct?

10 A Correct.

11 Q And same with Mattingly or Platinum?

12 A Correct.

13 Q So you may have interaction with their account here  
14 in Indiana but not actually with any of these  
15 dealers, specifically with themselves, or with those  
16 dealers?

17 A I would not communicate directly with the dealer, no.

18 Q Now, did you actually physically write every word in  
19 this affidavit?

20 A No.

21 Q Okay. Who did?

22 A It's my understanding our legal team.

23 Q As far as the exhibits that are attached to this  
24 affidavit, did you pick which exhibits to put on this  
25 affidavit?



1 A No.

2 Q I'm going to hand you what was marked as Exhibit B to  
3 your affidavit. This document has "NextGear Capital"  
4 written on the top of it.

5 A Correct.

6 Q Correct? So it's fair to say that this would have  
7 been produced after the merger between DSC and  
8 Manheim and -- with Cox, correct?

9 A Correct.

10 Q Do you know if this document was produced  
11 specifically for this litigation?

12 A Yes.

13 Q It was specifically --

14 A It was.

15 Q Okay. Did you create this Exhibit B?

16 A I did not.

17 Q Do you know who did?

18 A Yes.

19 Q Who?

20 A Our technology team.

21 Q Did you supervise them when they created it?

22 A I do not have direct supervision of them.

23 Q So you didn't ask them to create this document?

24 A Myself directly? No.

25 Q Did you have any input in the information that was

1 put in this document?

2 A Yes.

3 Q Okay. So it's fair to say that you asked them to  
4 create a document with these columns on it?

5 A I did not ask them, but I was involved in reviewing  
6 and testing the accuracy.

7 Q Other than your counsel, who else assisted you in  
8 producing Exhibit B?

9 A I can't recall exactly who was involved in the  
10 development of it. The only other person I can think  
11 of is a gentleman, Lucas Hancock.

12 Q Is he an IT person?

13 A No.

14 Q What does he do?

15 A He's senior director of customer experience.

16 Q Do you know what he does in that role?

17 A Yeah. He manages our call center.

18 Q Now, prior to the Manheim and DSC merger, had you  
19 ever reviewed Manheim Financial Services' promissory  
20 notes?

21 A No.

22 Q How about any Manheim documents, like security  
23 agreements, financial agreements?

24 A No. We are competitors.

25 Q So it's fair to say that the first time you would

1           have reviewed those documents would have been in  
2           drafting this affidavit?

3                   MR. VINK: Object to the form. You can answer.

4       Q   Well, let me ask it another way. When was the first  
5           time that you reviewed any documents from Manheim  
6           Financial Services, which I'll call MAFS for short.

7       A   Sure. In this case. I mean, we did not have any  
8           involvement in MAFS documents.

9       Q   Even after the merger you didn't go and look and see  
10          what they were doing versus what DSC was doing?

11      A   I did not review a particular legal document of MAFS  
12          and compare it to what DSC was doing.

13      Q   Have you done that comparison for this litigation?

14      A   Have I done that?

15      Q   Correct.

16      A   I am not an attorney, so I've not reviewed and, you  
17          know, compared every single -- I have not done that.

18      Q   Okay. So you didn't go through and say what was  
19          different between a MAFS document and a NextGear or  
20          DSC document?

21      A   No.

22      Q   You said that right now NextGear has about 21,000  
23          dealers?

24      A   Correct.

25      Q   Do you know, on a year-by-year basis, approximately

1           how many dealers DCS would have had -- I'm sorry, DSC  
2           would have had in, let's say, 2007?

3       A     I can't recall exactly. If I had to estimate, it  
4           would be six to eight thousand.

5       Q     How about in 2005? Would you know then?

6       A     That was the first year of DSC, so --

7       Q     Okay. How about 2008?

8       A     Roughly the same, six to eight thousand.

9       Q     And would that be the same up until the merger?

10      A     Correct.

11      Q     Okay. So with the merger you took on all of -- or  
12           NextGear was created to take on all of MAFS customers  
13           as well as DSC customers under one company?

14      A     Correct.

15      Q     And so did MAFS have more customers than DSC?

16      A     I believe they did, yes.

17      Q     You said six to eight thousand customers per year.  
18           Are they the same six to eight thousand customers  
19           every year?

20      A     No.

21      Q     What's the turnover rate of customers that would  
22           maybe use the floorplan in 2007 versus 2008?

23      A     I can't speak specifically to the turnover rate back  
24           then. As an estimate, we could potentially turn  
25           over, back then, maybe a hundred accounts each month.

1 Q When you say "turn over," what do you mean by that?

2 A They could leave our relationship voluntarily. They  
3 can move to another financier, another lender. They  
4 could also default on their account and be charged  
5 off.

6 Q Do you know what the default rate would have been in  
7 2007?

8 A I don't know exactly. You know, it's going to be  
9 somewhere around 5 percent of our dealers.

10 Q Is that per year or per month?

11 A It's an annual list.

12 Q Did that number stay true throughout 2008, 2009,  
13 2010?

14 A I can't speak to that. I don't have, obviously, the  
15 information in front of me. But it would not have  
16 varied significantly other than -- you know, during  
17 '08, '09, with the economic downturn, we did  
18 experience larger losses.

19 Q So maybe more than 5 percent in '08, '09?

20 A Sure. I think you would find that everywhere.

21 Q With the six to eight thousand customers that DSC  
22 would have had, did those customers also use MAFS as  
23 well?

24 A Some of them could.

25 Q Do you know, was it common in the industry to have

1 two different sources for floorplanning?

2 A Sure.

3 Q And, generally, would a dealer use one maybe as the  
4 primary and another one as a secondary line?

5 A Potentially, yes.

6 Q Do you know how common that would be? Is it the  
7 common practice to have one as the floorplan that you  
8 would use more and then another one that you would  
9 maybe use less, with a lower amount?

10 A Each dealer would be different. They could operate  
11 how they choose, obviously. But, sure, they could  
12 have one main and, you know, another secondary.

13 Q I went over your work history, but you've never  
14 worked at a used car dealer before, have you?

15 A No, I have not.

16 MR. AIREY: Okay if we take a short break?

17 MR. VINK: Sure.

18 (A recess was taken.)

19 Q We were discussing the affidavit that you've signed  
20 and has been filed in this matter. Other than your  
21 attorneys, did you discuss this affidavit with anyone  
22 else?

23 A No.

24 Q No one at NextGear?

25 A No.

1 Q Have you discussed the lawsuit with anyone at  
2 NextGear?

3 A No.

4 MR. VINK: Other than counsel?

5 MR. AIREY: Correct, other than counsel.

6 A No.

7 Q Now, in the affidavit, if you look at paragraph 9,  
8 could you read that for me.

9 A "From January 2005 through July 2013, various  
10 customers of MAFS and DSC signed materially different  
11 versions and subsets of MAFS' and/or DSC's respective  
12 agreements."

13 Q Now, I think you said earlier that -- obviously,  
14 you're not an attorney, correct?

15 A Correct.

16 Q And you weren't working at the company until 2007?

17 A No, that's not correct.

18 Q I'm sorry. You started working at the company in  
19 2005, correct?

20 A Correct.

21 Q Okay. Now, since you've been working at the company  
22 in 2005, have you had any input in the drafting of  
23 any of the contracts that the customers would sign?

24 A No.

25 Q Have you reviewed those contracts prior to them being

1           used by DSC or NextGear?

2       A     In their drafting phase?   No.

3       Q     So you didn't have any input in what went into an  
4           individual contract?

5       A     No.

6       Q     Have you participated in any training sessions with  
7           the sales representatives regarding the contracts?

8       A     No.

9       Q     Have you designed any materials for the sales  
10          representatives regarding any training that they  
11          would have?

12      A     No.

13      Q     Do you know who at either NextGear or DSC was in  
14          charge of training the sales representatives?

15      A     Our operations teams.

16      Q     But that wasn't within your sphere of operations?

17      A     That's correct.

18      Q     Now, have you gone through and looked at the  
19          different contracts to try to figure out whether  
20          there were different versions or subsets of them?

21      A     Again, I've not done a deep dive into each of the  
22          documents, but I am aware that we have had multiple  
23          versions of the contract.

24      Q     What is your understanding of the differences between  
25          the different contracts?



1 A The different contracts for DSC and NextGear?

2 Q For -- let's say from January 2005 to January -- I  
3 guess let me rephrase this.

4 How many different versions of the promissory  
5 notes did NextGear or DSC -- or, I guess, DSC have?

6 A I believe we may have had around three, as DSC.

7 Q As far as the different versions of the contracts,  
8 are you aware of when DSC starts to charge interest  
9 to a dealer on a transaction?

10 A Yes.

11 Q Could you explain that to me?

12 A Well, it could vary, but, generally, it happens on  
13 the floorplan date.

14 Q And is the floorplan date a defined term in all the  
15 three different versions of the DSC contracts?

16 A I'm not -- I couldn't answer that.

17 Q When is the floorplan date? What is your  
18 understanding of when the floorplan date would be?

19 A Again, it could vary. But in the example of a dealer  
20 buying a car at an auction, the floorplan date would  
21 be that date that he bought the car.

22 Q So interest would be charged from the date that the  
23 dealer bought the car from the auction?

24 A In that scenario, yes.

25 Q Okay. And that process is true regardless of what

1 version of the contract that DSC had, these three  
2 versions that you're aware of?

3 A It's my understanding, yes.

4 Q Are you aware of the language in the contract that  
5 would allow for the interest to be charged from the  
6 floorplan date?

7 MR. VINK: Object to the form. Calls for a legal  
8 conclusion. But you can answer, to the extent you  
9 can.

10 Q And I understand you're not an attorney. If you  
11 don't feel comfortable answering it, that's fine.

12 A Correct. I'm not an attorney. But general knowledge  
13 of that definition, of an advance, would indicate  
14 that the time the loan is made, that that's the date  
15 of the advance.

16 Q Now, in the example that you gave, you talked about  
17 from an auction. Would there be a different time  
18 that interest would start to be charged to a dealer  
19 if it was a non-auction vehicle?

20 A Sure.

21 Q Okay. And what happens in that instance?

22 A The flooring date, floorplan date, would be the date  
23 that the floorplan is entered into our system. And  
24 we would begin charging interest on that date for a  
25 unit not purchased at an auction.

1 Q And what's the date that is entered into the system?

2 A In that scenario, for a non-auction purchase, it  
3 would be the date that we receive that floorplan  
4 information, bill of sale, et cetera, from the  
5 dealer.

6 (Deposition Exhibits 1 through 7 were marked for  
7 identification.)

8 Q I'll hand you a stack of documents here. I do have  
9 these marked. I've got these kind of backwards, but  
10 that's 7. I apologize. The staple came out. Here's  
11 6. This is 5, 4, 3, 2, 1.

12 You're familiar with the discovery requests that  
13 were asked in this case?

14 A Generally.

15 Q One of the requests that we asked for were examples  
16 of the contracts of the various years that DSC used  
17 during the -- for floorplanning. Exhibit 1 -- let's  
18 see. If we can look back on page -- it's NG004848.

19 A (The witness complies.)

20 Q Right above the redaction box it appears to indicate  
21 that this is a November 20, 2005, contract?

22 A Mine says May 20.

23 Q I'm sorry. May 20, 2005. As far as in 2005, to your  
24 knowledge, would this be an accurate representation  
25 of the contract that DSC used with its dealers?

1 A Yeah, I would have no reason to believe it would not  
2 be.

3 Q Now, on -- let's see. It's the second page of the  
4 document, first page of the promissory note. Under  
5 1(a) there's a definition of "advance." Is that the  
6 definition that you were discussing earlier when you  
7 talked about loans?

8 A Correct.

9 Q Could you read that for me?

10 A "'Advance' shall mean all loans or payments pursuant  
11 to this Note made by DSC to Dealer or on Dealer's  
12 behalf to any third party."

13 Q In your affidavit, on page 2, paragraph 15, that  
14 paragraph generally states what you told me earlier,  
15 that when NextGear pays an auction direct -- or,  
16 sorry.

17 That the date NextGear conveys funds for a  
18 vehicle varies by transaction type and source,  
19 correct? First paragraph of that statement.

20 A Yeah, that statement is true.

21 Q Okay. It's also true that for the auction  
22 vehicles -- for dealers that buy cars at auction,  
23 NextGear charges interest to the dealer on the day  
24 that the dealer purchases the car from the auction,  
25 correct?

1 A Generally, yes.

2 Q You said "generally." When would they not?

3 A It could be, you know, if a dealer buys a car at  
4 auction and then three months later floorplans it  
5 with us, we're not going to backdate interest to the  
6 date that it was sold or purchased.

7 Q I'm sorry. Could you explain that example a little  
8 bit more?

9 A Sure. I mean, a dealer buys a car, and he could pay  
10 with cash.

11 Q Okay.

12 A And then two, three, four months later he might  
13 choose to put it on his floorplan to free up that  
14 cash.

15 Q So if a dealer buys a car at auction using the  
16 NextGear or DSC floorplan, then, at that time, the  
17 date that the dealer purchases that vehicle is the  
18 date that interest begins to run?

19 A Correct.

20 Q Are you aware of anywhere in the contract where it  
21 makes a distinction between vehicles that are bought  
22 at an auction and vehicles that are bought at -- or  
23 vehicles that are owned by the dealer?

24 MR. VINK: Object to the form. You can answer.

25 A I don't know.

1 Q With the -- let's see. It's Exhibit B to your  
2 affidavit that I handed you. I think I gave it to  
3 you earlier.

4 A Yes. Sorry.

5 Q Okay. In the far left column there's -- -- on the  
6 first page, about halfway down, it says "Total for"?

7 A Correct.

8 Q Do you know what that "Total for" means?

9 A That is the total of the transactions that were  
10 funded on that particular date.

11 Q So that's the day that NextGear funded the  
12 transaction to the auction or buyer in this case?

13 A It is the date that NextGear sent cash to the  
14 auction.

15 Q Now, the day that NextGear sends cash to the auction  
16 is, in many cases, days and even weeks later than the  
17 actual day that the dealer buys from the auction,  
18 correct?

19 A Sure.

20 Q And in some instances a dealer can purchase the  
21 vehicle at auction, sell that vehicle, send funds to  
22 NextGear before NextGear actually pays the auction as  
23 well, correct?

24 A That is possible.

25 Q In the affidavit you indicate that there's a dealer

1           that has a \$40 million line of credit with NextGear?

2       A     Yes.

3       Q     Who is that?

4       A     We have -- I don't know who exactly has the \$40  
5           million line of credit. That's just a range given.

6       Q     That's just something you looked on a computer system  
7           somewhere to see what the max range was, without  
8           actually knowing who it was?

9       A     Yeah. I mean, it's all information within our  
10          system.

11      Q     How many dealers have a \$40 million line of credit,  
12          do you know?

13      A     We only have a couple that are in that -- at that  
14          level.

15      Q     Do you know what the average credit limit, credit  
16          line is for a dealer?

17      A     Yeah. The mathematical average is approximately  
18          \$300,000 today.

19      Q     Has that gone up or down in the years since you've  
20          been working at NextGear?

21      A     It has increased.

22      Q     You don't know what the dealers' names are that have  
23          a \$40 million line of credit?

24           MR. VINK: Object to form. You can answer.

25      A     I mean, I can give you a couple of names of our

1 largest accounts.

2 Q Yeah.

3 A I don't know that they're exactly \$40 million.

4 Q Okay.

5 A Hertz Corporation, Wholesale, Inc. Those would be  
6 probably two of our bigger ones.

7 Q Does NextGear do any business with, like, the  
8 Enterprise rental car?

9 A No.

10 Q Do you know what Hertz uses its line for?

11 A It's my understanding it's for their car sales  
12 division. It's a very short time frame that they're  
13 on floorplan.

14 Q Do you know how many dealers would have been doing  
15 business with NextGear from 2005 through 2012 but  
16 would not have been doing business in 2013?

17 A I could provide a guess. If you -- complete estimate  
18 here, but dealers who may have been terminated,  
19 right? Is that what you're getting at, dealers  
20 who --

21 Q Who no longer do business with DSC, for whatever  
22 reason. I know you said there was about a 5 percent  
23 turnover earlier.

24 A Yeah. It could be -- again, I don't have the  
25 information in front of me. But a pure guess for



1           that time frame might be, I don't know, four to five  
2           thousand dealers. Pure guess.

3       Q     That's something you could find out through the  
4           system, though?

5       A     Yeah.

6       Q     And NextGear would have a record of the relationship  
7           between a particular dealer and NextGear/DSC for each  
8           transaction that that dealer has done with NextGear  
9           or DSC?

10      A     Correct. We have a history of all the transactional  
11           volume for a particular dealer, as a dealer with DSC  
12           and NextGear.

13      Q     And it would be similar to what was Exhibit B to your  
14           affidavit?

15      A     Correct. That's where -- this report was created  
16           using that data.

17           MR. AIREY: I'm sorry. I'm trying to narrow this  
18           down for you. It's good I'm pausing. We've gone  
19           over some of this.

20           Actually, if we could take a five-minute break.

21           (A recess was taken.)

22      Q     With the affidavit that you drafted, on page 3, at  
23           paragraphs 24, 25, and 26 -- well, let's go 24 and  
24           25. You say many dealers in the proposed class  
25           defaulted on their obligations to NextGear, correct?

1 A Correct.

2 Q And you know that from a review of the records at  
3 NextGear?

4 A Correct.

5 Q And there's also many dealers that have defaulted on  
6 their obligations as well, too?

7 A Correct.

8 Q And you know that from looking at NextGear's records?

9 A Correct.

10 Q Did you do a generalized search of NextGear's records  
11 to prepare this affidavit?

12 A Personally, no. I relied on other information  
13 provided.

14 Q Who provided that information to you?

15 A I can't say exactly who.

16 Q You don't remember, or is it because it was an  
17 attorney that provided it to you?

18 A Yeah, I don't know who actually pulled the  
19 information.

20 Q Did you review any documents to determine whether the  
21 dealers defaulted -- many dealers defaulted?

22 A I know it to be true because I'm heavily involved  
23 with that -- with the data presented inside of our  
24 system regarding that and am familiar with the  
25 dealers who defaulted and, ultimately, are charged

1 off.

2 Q On a global level, because of the reporting that you  
3 do, that's how you're familiar with those?

4 A Sure. But I'm familiar with the -- some of the  
5 dealers themselves.

6 Q Are you familiar with all the dealers that default?  
7 I mean, is that something that you look at, each  
8 individual account when there's a default?

9 A I do not review each individual account and determine  
10 a default needs to occur or has occurred. But I do  
11 see a list, both a detailed list and, obviously,  
12 summary information too, that details all that  
13 information.

14 Q And that's something that's reported to you in the  
15 ordinary course of your job?

16 A Correct.

17 Q How is that reported to you? Is that an e-mail that  
18 you get or a company memo?

19 A Today we receive an e-mail every morning that details  
20 dealers who have defaulted.

21 Q And have you always had some interaction with the  
22 dealers that have defaulted, in all your previous  
23 positions at NextGear?

24 A I would say I became more involved as controller.

25 Q When you were controller, how would you get notified

1 of a dealer default?

2 A I can't recall.

3 Q Would it be in writing, though, generally, that you  
4 would have been notified, with a list of dealers?

5 A I can't recall.

6 Q Do you have any role in any legal process that  
7 NextGear files against any dealer that has defaulted?

8 A Potentially. It's not a standard practice for me to  
9 be involved in that.

10 Q So other than the one case that we talked about  
11 earlier, where you testified in, do you routinely  
12 prepare affidavits for any defaults or legal process?

13 A Yeah. I'll be asked -- either myself or my team will  
14 be asked for information surrounding certain  
15 defaults. Again, it's not a checkbox, you know,  
16 every single default is coming through us.

17 Q You said not every single default comes through you?

18 A Correct. I mean, I have no -- I cannot determine a  
19 default. And I'm also not necessarily providing  
20 information, financial information, related to every  
21 single default. A lot of that resides in our system.

22 Q Do you perform an analysis to find out why somebody's  
23 defaulted on a loan?

24 A I do not.

25 Q Do you know who does?

1 A Yeah. That would be our risk department.

2 Q Do you review that information on why someone's  
3 defaulted, or is it more you just log in the  
4 information once one has happened?

5 A That information is available to me if I would like  
6 to review it. Again, I don't need to. I'm not the  
7 one that's actually defaulting that account.

8 Q So you wouldn't routinely look at that information?

9 A No.

10 Q Did you look at that information for this litigation?

11 A Yes, I'm familiar with some of the details around it.

12 Q The details for why dealers in the proposed class  
13 would have defaulted or just these particular dealers  
14 that are named?

15 A Just the named dealers.

16 Q Now, as far as any contracts that NextGear or DSC  
17 would have had with or has with the auctions  
18 themselves, do you have any role in negotiating those  
19 contracts?

20 A No, I do not.

21 Q Do you review those contracts?

22 A Today, sometimes I'm asked to sign them as  
23 representative of NextGear.

24 Q And that's in your job that you have now since 2015?

25 A Correct.

1 Q Prior to 2015 would you have reviewed those --

2 A No.

3 Q -- contracts?

4 A No, I would not.

5 Q And you also wouldn't have had any role in signing a  
6 particular individual dealer up to a particular  
7 contract with NextGear?

8 A No.

9 Q Are you familiar with the Auction Insurance Agency?

10 A Yes.

11 Q What's your role in dealing with Auction Insurance  
12 Agency on behalf of NextGear?

13 A I do not have a direct role.

14 MR. VINK: I was going to say for what time  
15 frame?

16 Q How about for any time that you've worked at  
17 NextGear.

18 A For any time I've not had a direct role with them.

19 Q So you don't report dealers to Auction Insurance  
20 Agency?

21 A I do not.

22 Q Did you supervise the people that did?

23 A No, I did not.

24 Q With Auction Insurance Agency, there's several  
25 paragraphs in your affidavit that you discuss that.

1 Have you become familiar with that in the course  
2 of -- or with that agency or reporting process during  
3 the course of this litigation?

4 A With Auction Insurance Agency?

5 Q Yes.

6 A No. I have had general knowledge of that  
7 relationship for -- throughout the course of my  
8 employment.

9 Q So you have some general knowledge of what Auction  
10 Insurance Agency does. But as far as your role in  
11 NextGear, you don't interact with them?

12 A That's correct. I'm aware of the relationship and  
13 mutual benefit but not -- I do not have direct  
14 involvement there.

15 Q Do you know who does have direct involvement with  
16 them?

17 A It's my understanding the risk department does.

18 Q Do you know a Mr. John Fuller that may have worked at  
19 NextGear?

20 A Yes.

21 Q Do you know where he is now?

22 A I do not.

23 Q Do you know when he left?

24 A He left after the acquisition.

25 Q Close in time to the acquisition or --

1 A Yes.

2 Q Do you have any role in setting salaries or bonuses  
3 for the sales representatives?

4 A No, I do not.

5 Q Who would have a role at the company doing that?

6 A Well, their hiring manager would determine what their  
7 salary is, through, you know, cooperation with our HR  
8 department.

9 Q That's outside your scope of what you do at NextGear,  
10 though?

11 A The salary piece, yeah. I mean, incentives, bonus  
12 plans do fall under my responsibilities.

13 Q When you say it falls within your responsibilities,  
14 do you have a role in setting what the salaries -- or  
15 how bonuses or incentive plans for employees are --

16 A I have a collaborative role, I guess you'd say. I do  
17 not set the bonus plan. I am asked for input and  
18 guidance as those are developed.

19 Q What kind of input do you give?

20 A Just related to the data that they want to measure,  
21 the actual dollar amounts that are proposed for that  
22 bonus plan.

23 Q You mean on a companywide basis or for an individual?  
24 Like, creating a pool of money for the sales  
25 representatives, or is it on an individual basis?



1 A Yeah. No, just on an individual basis, like what  
2 would be an appropriate amount to incentivize  
3 someone.

4 Q And you do that for all the sales representatives?

5 A Yeah. Every incentive plan runs through finance.

6 Q Do you have any input in what the goals are that a  
7 salesperson needs to reach in order to earn a bonus?

8 A No, I do not. Those are set by their -- the  
9 operational folks.

10 Q Do you have any input in the metrics that may be used  
11 to determine a particular goal or particular amount  
12 of money that an individual sales representative  
13 would get?

14 A Sure. My team is responsible for calculating the  
15 incentive, so we use the data that comes out of our  
16 system and calculate the incentive from that.

17 Q What data would you use?

18 A During that time frame? During this time frame here?  
19 I can't recall exactly what would have been part of  
20 the incentive plans. You know, guessing, it probably  
21 would have been something revolving around  
22 activations and -- you know, dealer activations and  
23 new loan count.

24 Q And have those metrics changed over time?

25 A Sure.

1 Q What changes were made?

2 A They change every year. So I couldn't tell you  
3 exactly each year what changes, but different metrics  
4 are used each year.

5 Q Is it generally based on the dealer activation and  
6 maybe default rate as well, too? Would those be  
7 terms that were normally included?

8 A Sure. Potentially, yeah. It's generally based  
9 around the activity that account executive manages  
10 and that their portfolio generates.

11 Q With the merger purchase by Cox, did you have any  
12 role in negotiating that merger?

13 A No, I did not.

14 Q Did you have any role in the integration of MAFS with  
15 NextGear?

16 A Yes.

17 Q What did you do with that?

18 A Just assisted with the combination of financial  
19 statements, the combination of the securitization  
20 facilities for both companies. Just, you know, a  
21 whole litany of those things. Those are the main  
22 overarching themes there.

23 Q You would have been in charge of integrating any  
24 salesperson training, anything like that, with --

25 A No, I do not train the salespeople.

1 Q How about the contracts that the salespeople would  
2 have used? Did you have any role in the integration  
3 of those contracts between MAFS and DSC?

4 A No. That was handled through our legal team.

5 Q Before, you stated that there was a mutual benefit  
6 between the auto auction agency and NextGear. Could  
7 you explain what you mean by "mutual benefit"?

8 A Sure. So we provide information to them, you know,  
9 such as a defaulted dealer, that they can -- you  
10 know, they choose to do with it what they want. I  
11 mean, they can, you know, enter that dealer into the  
12 KO book, if they choose.

13 We also receive data back from them of the  
14 dealers that are listed in the KO book, and that  
15 information is used to make credit decisions at  
16 NextGear.

17 Q With the reporting that you do now on a monthly  
18 basis, are you receiving reports from the people that  
19 you supervise and then putting them into a different  
20 form to give to the persons you report to?

21 A Which reports?

22 Q Like a monthly report. Would you have a profit and  
23 loss statement?

24 A Financial statements? Those are -- financial  
25 statements are generated out of our accounting

1 software, so there's no manipulation, if you will, of  
2 those.

3 Q I assume you're familiar with the term "float"?

4 A Yes.

5 Q And in this case the delay between the time that  
6 NextGear or DSC would fund an auction for a car  
7 versus the time that the dealer's being charged  
8 interest would be the float, correct?

9 A No, I would not call it a float.

10 Q What would you call that?

11 A I would call that the period between the floorplan  
12 date and the date that the auction was funded.

13 Q And during that time frame DSC or NextGear hadn't  
14 actually sent any money to the auction at all,  
15 correct?

16 MR. VINK: Object to the form. You can answer.

17 A Can you rephrase that?

18 Q From the time that the dealer purchased the vehicle  
19 from an auction and NextGear sends the money to that  
20 auction, there's a delay period in some instances,  
21 correct?

22 A In some instances, yes, there can be a delay.

23 Q Does NextGear keep track of the time between the day  
24 that a transaction is funded versus the day that it  
25 was first requested?

1 A The information resides in the system. It is not a  
2 metric or a data point that we review frequently.

3 Q But you do review that sometimes, correct?

4 A I've seen data around it, yeah.

5 Q What was the purpose for that data?

6 A Just to investigate, make sure that vehicle was still  
7 a valid floorplan.

8 Q So the system could generate that information for  
9 each transaction, correct?

10 A Yeah, those data points reside in the system for  
11 every transaction. And those are the same data  
12 points shown on this report.

13 Q Let's make it easier. Let's walk through one of the  
14 transactions here. If we go to page NGR000012, which  
15 is page 2 of Exhibit B that was attached to your  
16 affidavit, if we go to the column starting underneath  
17 where it says "Total for - 8/17/2011," it's stock  
18 number 13. It says "2000 Saturn S-Series SL2." Walk  
19 me through that transaction.

20 A Sure. I mean, based on the facts here, dealer would  
21 have purchased the vehicle at Oak View Auto Auction  
22 on August 5, 2011. That auction would have  
23 transmitted that flooring information to DSC at the  
24 time, on the same date, August 5, 2011, and -- you  
25 know, under the terms there noted to the right. And

1           then that third date there is completed date,  
2           August 17, 2011.

3           Based on that information there, you know, it's  
4           easy to reason that we had an agreement with the  
5           auction to fund that vehicle either on notice of  
6           title or on possession of title. And that's why  
7           the -- sorry. Let me get my dates right. It's the  
8           one underneath it. So, yeah, that's why on the 18th  
9           of August the funding occurred.

10          Q    When you say "the funding occurred," that's the day  
11               that NextGear sent funds to Oak View Auction in this  
12               case?

13          A    That's correct.

14          Q    But you're not familiar with the terms or contents of  
15               the Oak View Auction agreement between NextGear  
16               and -- in this case it was DSC and -- well, between  
17               Oak View Auction and DSC?

18          A    I don't have that document in front of me, no. I can  
19               make a reasonable --

20          Q    If we go to NGR000014 -- it's page 4 -- toward the  
21               bottom of the page it's stock number 58. It's a 1997  
22               Ford Explorer.

23          A    Yes.

24          Q    Can you walk me through that transaction as well?

25          A    Sure. Dealer would have purchased that vehicle at

1 Oak View Auto Auction on August 26, 2011. That  
2 auction would have sent that information to DSC on  
3 the same date, August 26. And that dealer -- the  
4 dealer, ultimately, paid that vehicle off, completed  
5 it on September 12, 2011. And, again, same thing.  
6 They would have -- the auction received -- or we sent  
7 funding to the auction on October 7, 2011.

8 Q And that August 26 date, the flooring date, that's  
9 the day that DSC would have been charging, started  
10 charging, Red Barn Motors interest?

11 A Yes, that's correct. That's the day they started  
12 utilizing their floorplan for that vehicle.

13 Q Now, this document, which is Exhibit B that was  
14 created for this litigation, is this something also  
15 that a dealer would be able to create?

16 A This exact form? No. This is created specifically  
17 for this case. The dealer does have access to  
18 reporting that's very similar, that has all the same  
19 information on it.

20 Q It would have the "Total for" date on it?

21 A I believe it would, yes.

22 Q Is there any indication on here of what "Total for"  
23 means?

24 A On this report it does not specifically say, but we  
25 understand that to be the case, that it's the total

1 amount funded on that particular day. I believe the  
2 reporting available to the dealer is a little more  
3 descriptive.

4 Q Have you seen more descriptive reporting that's  
5 available to the dealer than this?

6 A To the extent that this -- this report has a lot of  
7 information on it. Again, I can't say exactly if  
8 every single column on here is on the report that  
9 they see, but, you know, to my -- yeah, I would say  
10 that all those are -- in one form or another, all  
11 that information is on the reporting, the Receivable  
12 Detail Report that the dealer has access to.

13 MR. AIREY: I don't have additional copies of  
14 this. This was an exhibit that we used yesterday,  
15 Exhibit 17.

16 MR. VINK: Okay.

17 Q You stated that dealers can get the Receivable Detail  
18 Report. Is this one of the reports that you were  
19 discussing?

20 A This is a Receivable Detail Report, yes.

21 Q Okay. That's something that the dealer would have?

22 A Yes.

23 Q Get? Okay. Can you show me where the "Total for"  
24 column is on that?

25 A On this report there's not a "Total for" amount.



1 Q Okay. Is there a day that shows when NextGear paid  
2 the auction on that report?

3 A Yes. There is a column labeled "Days." That is the  
4 number of days that that vehicle has been on  
5 floorplan. You can run that back to the floordate  
6 and determine kind of when that floorplan started.  
7 Sorry. Did you -- restate your question.

8 Q What I was asking is, does that document, anywhere in  
9 that document, show when NextGear or DSC --

10 A Sorry.

11 Q -- paid the auction?

12 A No, it does not. I don't know why that would be  
13 important to them.

14 MR. AIREY: Can we take a little break? We're  
15 pretty much toward the end.

16 MR. VINK: Okay.

17 (A recess was taken.)

18 Q Earlier you mentioned Lucas Hancock, I believe?

19 A Yes.

20 Q And he is the director of customer experience now?

21 A Correct.

22 Q Okay. Who was in that role before him?

23 A I couldn't tell you. It's a new role as well, within  
24 the last couple of years.

25 Q Was there somebody that did a similar role prior to

1           this role being created?

2       A     During this time frame there would not have been  
3           someone in that position.

4       Q     There was still a -- was there a call center during  
5           the time frame of the Red Barn transactions?

6       A     During a portion of that time frame.

7       Q     When did the call center start?

8       A     I believe it was around 2010, 2011.

9       Q     What did the dealers do prior to 2010, 2011 when they  
10          wanted to contact DSC?

11      A     They contacted their account executive.

12      Q     And then he would go to a regional director? He  
13          would report to a regional director then?

14      A     Yeah, he reported to a regional director. Whether or  
15          not he went to that director with every single  
16          issue --

17      Q     And then who would the regional directors report to?

18      A     During this time I believe we had maybe a couple of  
19          vice presidents of operations. I don't recall  
20          exactly the org structure back then.

21      Q     Do you know the names of any of those people?

22      A     I'm trying to think. I'm not sure who was in those  
23          positions back then.

24      Q     Are those people still with the company now, just in  
25          different roles?

1 A I mean, I don't know who it would have been. I mean,  
2 we -- yeah, it's hard to say.

3 Q So you just don't have any recollection of who those  
4 people were?

5 A No.

6 Q So you wouldn't have had a lot of interaction with  
7 them?

8 A Well, I would have. I just don't know, in 2009 or  
9 2010, what the org structure was exactly or who was  
10 in each role.

11 Q In your current role do you participate in monthly  
12 financial review meetings?

13 A Yes.

14 Q And who usually attends those meetings?

15 A All of the executive team of NextGear.

16 Q That's, like, the CEO, the CFO?

17 A Yeah, the C-level and the vice presidents.

18 Q Do you take minutes at those meetings?

19 A No.

20 Q How about notes?

21 A No.

22 Q Does anybody?

23 A People may take individual notes as they see fit, but  
24 there's no standard format.

25 Q Are the financial statements circulated prior to the

1 meetings?

2 A Yeah, they're circulated ahead of time.

3 Q What's generally included in those financial review  
4 meetings? What data do you look at?

5 A We look at, you know, financial -- you know, an  
6 income statement view. We definitely look at our  
7 defaults and charge-offs. Also, you know, do a  
8 little bit of forecasting and looking ahead.

9 Q For your position, do you have any policies,  
10 procedure books that you routinely look at that may  
11 have been created specifically for NextGear?

12 A I mean, there are NextGear policies, yes. They're  
13 available to the entire company.

14 Q Do you have any specific ones that are just for your  
15 department?

16 A Sure.

17 Q What are those called?

18 A Travel/entertainment expense policy. We have payment  
19 posting policies. That's generally -- you know, a  
20 couple of the main ones. There could be others.

21 Q Do you have policies regarding the withdrawal or  
22 termination of credit from customer dealers?

23 A We do have a policy around charge-offs and defaults,  
24 so yes.

25 Q Does your department handle when something is charged

1 off, or is that more for the risk people?

2 A It's a collaborative effort today between both  
3 departments.

4 Q When you say "today," you mean since 2015, when you  
5 took over, or --

6 A Yes. And I can't speak to exactly how it operated  
7 back then. It certainly was always a risk function  
8 with finance involvement. But, you know, in the past  
9 couple of years we clearly have more involvement  
10 there.

11 Q Did you have any role in creating any of those  
12 policies?

13 A During this time frame? No, I did not.

14 Q Do you have a role now in creating them?

15 A It's a collaborative role, sure. Certainly with  
16 policies that affect finance, I'm involved and have  
17 been involved. I currently sit on a policy review  
18 committee.

19 Q Who else sits on that committee?

20 A There are -- there's a VP of operations, VP of risk,  
21 VP of legal.

22 Q Who's --

23 A Along with the audit team.

24 Q Who's the vice president of legal?

25 A Rick Wright.

1 MR. AIREY: I think, with that, we pass the  
2 witness.

3 MR. VINK: All right. We have nothing on  
4 cross-examination. We will take signature. You can  
5 go ahead and send that to me, and I'll deliver it to  
6 the witness.

7 MR. AIREY: I did want to attach what's RB2178.  
8 It was Exhibit 17 from the prior deposition. So if  
9 you want to use that copy instead of this copy,  
10 because this one's got writing on it, if that's okay  
11 with you all. But we can cross-reference it, however  
12 you want to do it.

13 MR. VINK: That's fine.

14 AND FURTHER THE DEPONENT SAITH NOT  
15

16 \_\_\_\_\_  
17 ADAM GALEMA  
18  
19  
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23  
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25

[illegible]

That the deposition was taken on behalf of the Plaintiffs at the time and place heretofore mentioned with counsel present as noted;

I do further certify that I am a disinterested person in this cause of action; that I am not a relative or attorney of any of the parties or otherwise interested in the event of this action and am not in the employ of the attorneys for the respective parties.

Paula A. Morgan, Notary Public

Jake Airey  
SHER GARNER CAHILL RICHTER KLEIN & HILBERT  
909 Poydras Street, Suite 2800  
New Orleans, Louisiana 70112

NOTICE OF DEPOSITION FILING

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

RED BARN MOTORS, INC., et al.,

Plaintiffs,

vs.

COX ENTERPRISES, INC., et al.,

Defendants.

Docket No.

1:14-cv-01589-TWP-DKL

Class Action

In compliance with the Indiana Rules of Procedure, Rules of the Industrial Board or Federal Rules of Procedure, pursuant to Indiana Supreme Court Order dated 10-1-86, you are hereby notified of the filing with Counsel for Plaintiffs of the deposition of ADAM GALEMA, taken on November 10, 2016.

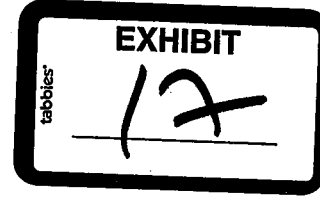
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cc: Paul D. Vink

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RB 2178



Receivable Detail Report

**NEXTEAR**  
CAPITAL

Receivable Detail Report

Region: Not Selected Market: Not Selected  
 Business: Red Barn Motors, Inc.(61099) Report Date: FRI, 04/25/2013 03:21:08 PM  
 Exclude Default Dealers: False Requested By: Gary Hoke  
 Exclude Account Level Charges: False Include Comments: No

Customer Profile

Name: Red Barn Motors, Inc.  
 Dealer Id: 61099  
 Address Line 1: 26007 La Hwy 16  
 Address Line 2:  
 City, State, ZIP: Denham Springs, LA 70726  
 Phone: (225)665-7770  
 Fax: (225)665-7716

Market Info & Account Profile

Market: Baton Rouge (180)  
 Market Phone: (225)620-1660  
 Dealer Status: DL  
 Lot Audit: Incomplete  
 Unapplied Funds: \$9.12  
 Reserved Funds: \$0.00

Fee Type	Description	Amount Due	Date Incurred
NSF		\$25.00	03/15/2013
NSF		\$25.00	03/15/2013
Repo (Account)	LA Auto Transport Inv#4159	\$200.00	04/29/2013
Repo (Account)	la auto transport llc # 2882, 4034, 4035, 4036, 4037, 4038 silk#511, 467, 477, 412, 499, 460	\$2,760.00	04/05/2013
NSF		\$25.00	03/15/2013
NSF		\$25.00	03/15/2013
NSF		\$25.00	03/15/2013
NSF		\$25.00	03/15/2013
Repo (Account)	LA Auto Transport LLC Inv#42126,3807	\$520.00	04/22/2013
NSF		\$25.00	03/14/2013
Total Account Charges for Red Barn Motors, Inc.(61099)		\$3,655.00	

LOC Type	Approved Credit	Temp. Credit	Temp. Expiration	Total Credit	Outstanding	Credit Available	Term Plan
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LOC Type	Approved Credit	Temp. Credit	Temp. Expiration	Total Credit	Outstanding	Credit Available	Term Plan
Retail (Buyer)	\$200,000.00	\$0.00		\$200,000.00	\$109,968.15	\$0.00	569/30/70 -- 695/70/70 -- R4.5 - C610/20
Total Line of Credit for Red Barn Motors, Inc. (61099)							
	\$200,000.00	\$0.00		\$200,000.00	\$109,968.15	\$0.00	

Floor	Date	Last Paid	VS	Vehicle	Clr VIN	Stk #	TS	Due	Diab	Source	Original Amt.	Principal Bal.	One Day Bal.	Fee	Interest	Insurance	Other	Total
Retail (Buyer) Inventory Detail for Red Barn Motors, Inc. (61099)																		
11/16/12	169	02/11/13	SAU	2002 Chev Saba	Ybk 20N8C142VX630036	383	ST	03/18/13	S	Oak View Auto Auction	\$3,175.00	\$2,056.98	\$0.00	\$20.00	\$91.37	\$0.00	\$180.64	\$2,423.90
11/16/12	168	02/11/13	SAU	2001 Ford F150	Red 2FMDZ47263DA99007	414	ST	04/10/13	S	Oak View Auto Auction	\$2,475.00	\$2,475.00	\$0.00	\$20.00	\$23.46	\$0.00	\$120.00	\$2,618.46
11/16/12	167	02/14/13	SAU	2002 Chev Malibu	Whi 5NHEB28T61C535372	418	TR	03/11/13	S	Oak View Auto Auction	\$5,995.00	\$4,716.46	\$0.00	\$70.00	\$81.87	\$0.00	\$165.00	\$4,933.27
11/16/12	161	02/14/13	REP	2002 Ford Focus	Red 1G1ND52Z62N58368	472	ST	03/18/13	S	Oak View Auto Auction	\$4,375.00	\$5,160.00	\$0.00	\$70.00	\$70.00	\$0.00	\$165.00	\$5,465.00
12/06/12	141	04/04/13	DIS	2004 Ford Focus	Red 1G1ND52Z62N58368	426	AL	03/18/13	S	Oak View Auto Auction	\$1,650.00	\$1,404.00	\$0.00	\$70.00	\$26.56	\$0.00	\$175.00	\$1,677.56
12/06/12	141	04/04/13	DIS	2004 Ford Focus	Whi 4T1BP28811U119378	139	AL	04/26/13	S	Oak View Auto Auction	\$4,375.00	\$0.00	\$0.00	\$70.00	\$17.44	\$0.00	\$50.00	\$142.44
12/07/12	140	03/07/13	SAU	2006 Dodge Durango	Whi 2MEFR15W7Y622085	440	AL	04/26/13	S	Oak View Auto Auction	\$3,375.00	\$0.00	\$0.00	\$70.00	\$12.92	\$0.00	\$50.00	\$137.92
12/11/12	136	02/11/13	SAU	2002 Ford Focus	Whi 10MD380606F569404	445	ST	04/22/13	S	Oak View Auto Auction	\$7,810.00	\$6,838.00	\$0.00	\$160.00	\$48.67	\$0.00	\$166.04	\$7,052.71
12/11/12	135	04/04/13	DIS	2004 Dodge Durango	Whi 1FMDZ1NE71046215	448	ST	03/13/13	S	Louisiana's 1st Choice Auto Auction	\$5,920.00	\$3,828.00	\$0.00	\$140.00	\$72.49	\$0.00	\$189.64	\$4,080.13
12/11/12	135	04/04/13	DIS	2004 Dodge Durango	Whi 1D4GF456848546712	449	AL	04/26/13	S	Louisiana's 1st Choice Auto Auction	\$3,570.00	\$0.00	\$0.00	\$140.00	\$48.56	\$0.00	\$115.00	\$393.56
12/11/12	136	04/04/13	DIS	2001 Nissan Front	Whi 1NEDD28681C37687	450	AL	04/26/13	S	Louisiana's 1st Choice Auto Auction	\$5,140.00	\$0.00	\$0.00	\$140.00	\$61.16	\$0.00	\$175.00	\$536.16
12/11/12	136	04/04/13	DIS	2005 Honda Civic	Whi 5FARL387265417437	452	AL	04/26/13	S	Louisiana's 1st Choice Auto Auction	\$5,440.00	\$0.00	\$0.00	\$140.00	\$11.21	\$0.00	\$115.00	\$268.21
12/11/12	138	02/11/13	RHD	2004 Ford F150	Whi 1F1XK12524N408514	453	ST	03/18/13	S	Louisiana's 1st Choice Auto Auction	\$5,240.00	\$4,716.00	\$0.00	\$140.00	\$95.89	\$0.00	\$170.84	\$5,082.73
12/21/12	126	02/19/13	SAU	2003 Toyota Tundra	Whi 5TRJN325153333110	460	FR	03/21/13	S	Oak View Auto Auction	\$2,550.00	\$2,295.00	\$0.00	\$140.00	\$42.50	\$0.00	\$168.04	\$2,505.54
12/21/12	128	02/19/13	SAU	2002 Ford Focus	Whi 2FMDZ47263DA99007	461	FR	03/21/13	S	Oak View Auto Auction	\$1,150.00	\$1,035.00	\$0.00	\$140.00	\$20.63	\$0.00	\$108.84	\$1,164.43
12/28/12	119	04/04/13	DIS	2005 Ford Focus	Whi 1FAFP3AN9N901823	465	AL	04/26/13	S	Oak View Auto Auction	\$3,775.00	\$0.00	\$0.00	\$140.00	\$35.57	\$0.00	\$115.00	\$385.57
12/28/12	119	04/04/13	DIS	2005 Ford Focus	Whi 2MEFR15W7Y622085	467	AL	04/26/13	S	Oak View Auto Auction	\$4,375.00	\$0.00	\$0.00	\$140.00	\$45.29	\$0.00	\$175.00	\$458.29
12/28/12	119	04/04/13	DIS	2003 Ford Focus	Whi 1FAFP3AN9N901823	470	AL	04/26/13	S	Oak View Auto Auction	\$4,375.00	\$0.00	\$0.00	\$140.00	\$45.29	\$0.00	\$175.00	\$458.29
01/11/13	135	04/17/13	DIS	2005 Ford Focus	Whi 20TEK18T13130288	471	AL	04/26/13	S	Oak View Auto Auction	\$4,075.00	\$3,687.00	\$0.00	\$140.00	\$66.56	\$0.00	\$175.00	\$4,043.56
01/11/13	135	04/17/13	DIS	2005 Ford Focus	Whi 20TEK18T13130288	472	AL	04/26/13	S	Oak View Auto Auction	\$2,390.00	\$1,290.00	\$0.00	\$225.00	\$87.03	\$0.00	\$157.44	\$2,752.47
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	473	FR	03/21/13	S	Oak View Auto Auction	\$1,650.00	\$1,050.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$1,305.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	474	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	475	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	476	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	477	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	478	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	479	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	480	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	481	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	482	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	483	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	484	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	485	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	486	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	487	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	488	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	489	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	490	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	491	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	492	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	493	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	494	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	495	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	496	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	497	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	498	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	499	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28
01/11/13	135	04/17/13	DIS	2001 Ford Focus	Whi 1G1ND52Z62N58368	500	FR	03/21/13	S	Oak View Auto Auction	\$2,650.00	\$2,450.00	\$0.00	\$225.00	\$62.28	\$0.00	\$193.00	\$2,705.28

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Floor	Date	Days	Last Paid	Vehicle	VS	Description	Cr	VIN	St	TS	Due	Orig	Source	Principal Bal.	One Day Bal.	Fee	Interest	Insurance	Other	Total
01/25/12	01/25/12	81	01/25/12	2003 Niss Max	DIS	04/15/13	04/15/13	JNTDA01031510978	488	ST	04/15/13	\$4,375.00	Oak View Auto Auction	\$4,375.00	\$0.00	\$155.00	\$111.37	\$0.00	\$153.00	\$394.37
02/04/13	02/04/13	84	02/04/13	2000 Ford Mustang	RHD	04/25/13	04/25/13	1FAFP43XYF1213106	492	ST	04/25/13	\$5,775.00	Oak View Auto Auction	\$5,775.00	\$0.00	\$225.00	\$85.34	\$0.00	\$288.00	\$4,453.24
02/09/13	02/09/13	84	02/09/13	1998 Chev C350	DIS	04/25/13	04/25/13	1GBHC33363NFA7183	493	AU	04/25/13	\$2,765.00	Oak View Auto Auction	\$2,765.00	\$0.00	\$155.00	\$84.23	\$0.00	\$133.00	\$1,765.23
02/09/13	02/09/13	84	02/09/13	2008 Hym Sula	DIS	04/25/13	04/25/13	5NPEET46C580430642	494	AU	04/25/13	\$1,005.00	Oak View Auto Auction	\$1,005.00	\$0.00	\$155.00	\$20.24	\$0.00	\$33.00	\$1,192.24
02/09/13	02/09/13	84	02/09/13	2001 Chev PTC	DIS	04/25/13	04/25/13	3C3FYR88917311458	496	ST	04/25/13	\$3,275.00	Oak View Auto Auction	\$3,275.00	\$0.00	\$155.00	\$70.05	\$0.00	\$203.00	\$4,008.05
02/09/13	02/09/13	84	02/09/13	1998 Chev Mal	REP	04/25/13	04/25/13	1GNDJ62J2834519565	497	AU	04/25/13	\$2,765.00	Oak View Auto Auction	\$2,765.00	\$0.00	\$155.00	\$89.07	\$0.00	\$203.00	\$3,157.07
02/09/13	02/09/13	84	02/09/13	2000 Mazda MPV	DIS	04/25/13	04/25/13	3JMLW26G5Y0108514	499	AU	04/25/13	\$3,275.00	Oak View Auto Auction	\$3,275.00	\$0.00	\$155.00	\$87.01	\$0.00	\$203.00	\$3,815.01
02/09/13	02/09/13	84	02/09/13	1999 Dodge Dur	DIS	04/25/13	04/25/13	1B4HS2A2XFR80143	500	FR	04/25/13	\$3,275.00	Oak View Auto Auction	\$3,275.00	\$0.00	\$155.00	\$71.59	\$0.00	\$203.00	\$3,814.59
02/12/13	02/12/13	84	02/12/13	2006 Chev Mal	DIS	04/15/13	04/15/13	1G1ND52P56M127047	501	AU	04/15/13	\$3,275.00	Oak View Auto Auction	\$3,275.00	\$0.00	\$155.00	\$85.13	\$0.00	\$203.00	\$3,814.13
02/12/13	02/12/13	84	02/12/13	2006 Ford F150	DIS	04/15/13	04/15/13	1FTFX126859A07635	502	AU	04/15/13	\$1,375.00	Louisiana's 1st Choice Auto Auction	\$1,375.00	\$0.00	\$85.00	\$81.88	\$0.00	\$68.00	\$1,609.88
02/12/13	02/12/13	84	02/12/13	1992 Ford F150	DIS	04/15/13	04/15/13	2FTDF16N2NCA39363	503	AU	04/15/13	\$1,375.00	Louisiana's 1st Choice Auto Auction	\$1,375.00	\$0.00	\$85.00	\$85.20	\$0.00	\$68.00	\$1,333.20
02/12/13	02/12/13	84	02/12/13	2002 Niss Alt	DIS	04/15/13	04/15/13	1N4AL11D72C12964	505	AU	04/15/13	\$643.93	Louisiana's 1st Choice Auto Auction	\$643.93	\$0.00	\$85.00	\$78.31	\$0.00	\$68.00	\$875.24
02/12/13	02/12/13	84	02/12/13	1999 Saab 9-5	REP	04/15/13	04/15/13	1G9P4H28RNVZ22561	506	FR	04/15/13	\$2,195.00	Louisiana's 1st Choice Auto Auction	\$2,195.00	\$0.00	\$155.00	\$44.89	\$0.00	\$53.00	\$2,477.89
02/15/13	02/15/13	84	02/15/13	2002 Ford Exp	DIS	04/04/13	04/04/13	1FMDU61E2E2E78407	507	AU	04/04/13	\$420.00	Oak View Auto Auction	\$420.00	\$0.00	\$85.00	\$51.77	\$0.00	\$68.00	\$524.77
02/15/13	02/15/13	84	02/15/13	1995 Linc boat	RHD	04/15/13	04/15/13	4H7BA2401584022792	508	ST	04/15/13	\$6,900.00	Oak View Auto Auction	\$6,900.00	\$0.00	\$155.00	\$190.53	\$0.00	\$163.00	\$7,378.53
02/15/13	02/15/13	84	02/15/13	2002 Chev Silv	SAU	04/15/13	04/15/13	1GCC181332214740	509	FR	04/15/13	\$8,910.00	Oak View Auto Auction	\$8,910.00	\$0.00	\$155.00	\$107.76	\$0.00	\$163.00	\$9,175.76
02/15/13	02/15/13	84	02/15/13	2001 Buick Wildcat	SAU	04/15/13	04/15/13	1N4NB033110214002	510	ST	04/15/13	\$5,295.00	Oak View Auto Auction	\$5,295.00	\$0.00	\$155.00	\$100.61	\$0.00	\$163.00	\$5,653.61
02/15/13	02/15/13	84	02/15/13	1999 GMC CK1	DIS	04/26/13	04/26/13	1GTEC14W5X220537	511	AU	04/26/13	\$0.00	Oak View Auto Auction	\$0.00	\$0.00	\$2.89	\$4.1	\$0.00	\$68.00	\$71.10
02/15/13	02/15/13	84	02/15/13	1993 Mazda MX-4	RHD	04/26/13	04/26/13	1TV05E1D25165509	513	AU	04/26/13	\$1,480.00	Oak View Auto Auction	\$1,480.00	\$0.00	\$155.00	\$55.33	\$0.00	\$163.00	\$1,698.33
02/15/13	02/15/13	84	02/15/13	2000 Toy 4Run	DIS	04/04/13	04/04/13	JT3GN6R2Y00581362	514	AU	04/04/13	\$4,775.00	Oak View Auto Auction	\$4,775.00	\$0.00	\$155.00	\$72.32	\$0.00	\$163.00	\$5,065.32
02/15/13	02/15/13	84	02/15/13	2008 Ford Tour	DIS	04/15/13	04/15/13	1FAPP53665224657	515	AU	04/15/13	\$3,790.00	Oak View Auto Auction	\$3,790.00	\$0.00	\$155.00	\$83.31	\$0.00	\$163.00	\$4,026.31
02/27/13	02/27/13	84	02/27/13	2001 Ford Gran	DIS	04/04/13	04/04/13	1G2W92K41P29941	516	AU	04/04/13	\$1,925.00	Louisiana's 1st Choice Auto Auction	\$1,925.00	\$0.00	\$85.00	\$51.33	\$0.00	\$68.00	\$2,036.33
02/27/13	02/27/13	84	02/27/13	2000 Chev Tan	DIS	04/15/13	04/15/13	1GNEC131KX149179	517	AU	04/15/13	\$890.00	Louisiana's 1st Choice Auto Auction	\$890.00	\$0.00	\$85.00	\$62.44	\$0.00	\$68.00	\$1,105.44
02/27/13	02/27/13	84	02/27/13	2000 GMC Yuk	DIS	04/04/13	04/04/13	3GKGC18T9C200331	518	AU	04/04/13	\$585.00	Louisiana's 1st Choice Auto Auction	\$585.00	\$0.00	\$85.00	\$45.70	\$0.00	\$68.00	\$783.70
02/27/13	02/27/13	84	02/27/13	2002 Jeep Lib	DIS	04/04/13	04/04/13	1J4GK4K07A15445	519	AU	04/04/13	\$1,050.00	Oak View Auto Auction	\$1,050.00	\$0.00	\$85.00	\$35.80	\$0.00	\$68.00	\$1,238.80
02/27/13	02/27/13	84	02/27/13	2000 Honda Odys	DIS	04/04/13	04/04/13	2HKL1850YH613917	520	AU	04/04/13	\$2,000.00	Oak View Auto Auction	\$2,000.00	\$0.00	\$85.00	\$22.34	\$0.00	\$68.00	\$2,115.34
02/27/13	02/27/13	84	02/27/13	2005 Dodge Neon	DIS	04/04/13	04/04/13	1B3E56R032D151540	521	AU	04/04/13	\$390.00	Oak View Auto Auction	\$390.00	\$0.00	\$85.00	\$29.97	\$0.00	\$68.00	\$567.97
02/27/13	02/27/13	84	02/27/13	2009 Toy Camr	DIS	04/04/13	04/04/13	4T15F286G0J037800	522	AU	04/04/13	\$1,125.00	Oak View Auto Auction	\$1,125.00	\$0.00	\$85.00	\$55.17	\$0.00	\$68.00	\$1,333.17
02/27/13	02/27/13	84	02/27/13	1993 Toy Camr	DIS	04/15/13	04/15/13	4T15K1Z2P01200118	522	AU	04/15/13	\$1,205.00	Oak View Auto Auction	\$1,205.00	\$0.00	\$85.00	\$64.51	\$0.00	\$68.00	\$1,402.51
02/27/13	02/27/13	84	02/27/13	2005 Dodge Neon	DIS	04/15/13	04/15/13	1B3E56G03D159062	524	AU	04/15/13	\$1,850.00	Oak View Auto Auction	\$1,850.00	\$0.00	\$85.00	\$51.96	\$0.00	\$68.00	\$1,994.96
Total (Retail Buyer)														\$246,350.00	\$109,968.15	\$0.00	\$7,890.12	\$3,844.21	\$0.00	\$129,502.78
Unit Count: 60														\$0.00	\$7,890.12	\$3,844.21	\$0.00	\$0.00	\$0.00	\$129,502.78

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